

- (c) the proposals being finalised in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 1st March, 2012 decided to take the economic reforms forward and accordingly (i) provided Central Public Sector Enterprises (CPSEs) a third choice for investing their surplus cash in the shares of other CPSEs through Department of Disinvestment, in addition to bank deposits and/or mutual funds which were allowed by Department of Public Enterprises O.M. No. DPE/II/47/2006-Fin. dated 31st August, 2007; and (ii) enabled Department of Disinvestment to respond to the proposals of CPSEs, in case they decide to resort to buyback to restructure their capital base commensurate to the size of their operations on the pattern of private companies.

The above are only enabling provisions. The decisions are to be taken by the companies taking into consideration all aspects of the matter. The Department of Public Enterprises have already issued necessary guidelines to CPSEs based on this decision of the CCEA.

Increase the availability of credit to rural areas

2052. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government has taken several policy measures from time to time to increase the availability of credit to the rural areas in general and farmers in particulars;
- (b) if so, the details of the schemes under implementation now; and
- (c) the impact of the schemes on the condition of the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The Government has taken several policy measures from time to time to increase the availability of institutional credit to farmers. These, *inter-alia*, include the following:

- In terms of Reserve Bank's extant guidelines on lending to priority sector, a target of 40 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on March 31 of the previous year, has been mandated for lending to the priority sector by domestic scheduled commercial banks, both in the public and private sector. Within this, a

sub-target of 18 per cent of ANBC or Credit Equivalent amount of OBE, whichever is higher, as on March 31 of the previous year, has been mandated for lending to agriculture sector.

- The Government has been setting an annual target for the flow of credit to the agriculture sector. The agriculture target for 2012-13 is fixed at Rs 5,75,000 crore against the target of Rs 4,75,000 crore in 2011-12.
- The Interest Subvention Scheme is being implemented by the Government of India since 2006-07 to make short-term crop loans upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7 percent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payee farmers. The additional subvention was 1% in 2009-10, 2% in 2010-11 and 3% in 2011-12. The Government has in the Budget speech of 2012-13 announced continuation of the scheme in 2012-13.
- RBI has also advised banks to waive margin/security requirements for agricultural loans upto Rs 1,00,000.
- The Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 was implemented by the Govt. This Scheme has de-clogged the lines of credit that were clogged due to the debt burden on the farmers and make the farmers eligible for fresh loans. Under the scheme Rs 52,275.55 crore has been released by the Govt. through RBI and NABARD to give benefit to 3.45 crore farmers.
- Banks have been advised to issue Kisan Credit Cards (KCC) to all eligible farmers and General Credit Cards (GCC) to non-farmers. A new scheme for KCC has been circulated by NABARD which provides for KCC as an ATM card which can be used at ATM/ Point of sale (POS) terminals.

In view of the above initiatives of the Government, the number of farm loan accounts has increased from 482.30 lakh in 2009-10 to 646.57 lakh in 2011-12.

Repo rate increased/decreased by RBI

†2053. SHRI SHADI LAL BATRA: Will the Minister of FINANCE be pleased to state:

(a) the number of times repo rate has been increased/decreased by the Reserve Bank of India during the last three years;

† Original notice of the question was received in Hindi.